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SUBJECT: Merida 2.0 in Honduras

REFS: A. TEGUCIGALPA 356
1B. TEGUCIGALPA 353
1C. TEGUCIGALPA 176
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1. The following is Mission Honduras' input for the revised Merida Initiative strategy.

1I. Security Environment - Assessment

12. Citizen security has become an increasing problem for Honduras over the past decade, and before the coup of June 28, 2009 was the leading topic of public concern in the country. Accurate crime statistics are difficult to come by because crime is generally underreported and the Honduran National Police (HNP), though improving, lacks the resources and training to collect and maintain reliable crime statistics. What is known is that from 2004 to 2008, rates for violent crime increased dramatically, and remain at high levels in 2009. At 56.5 murders per 100,000 inhabitants, Honduras now has one of the highest murder rates in the world. Kidnapping has become another increasing threat - the rate of kidnappings has more than doubled from 2007 to 2009, and is likely to top 100 kidnappings in 2009. These and other crimes, including sexual assault and exploitation, and extortion, have led to a public outcry regarding security.

13. A general sense of lawlessness has emerged, evidenced in high rates of domestic violence and violence against women, as well as increased violence associated with youth in sports fan clubs known as "barras bravas," which are becoming feeder organizations into the transnational criminal gangs. Trafficking in narcotics, persons and illicit goods, while not as directly visible, comprises the base of criminal activity which leads to the more public crimes. With a weak education system, a general lack of job opportunities, high levels of corruption, alienation and deteriorating values, thousands of at-risk youths see joining gangs as their only alternative. Narco traffickers and transnational gangs are at the base of all these

criminal activities, as reflected in the prevalence of street crime in the areas of the two main urban centers, the Atlantic coast, and the border with Guatemala, where gang activity and trafficking are predominantly carried out. However, as the criminal networks continue to grow, crime spreads with them, and once peaceful towns in the middle of the country are now experiencing their own crime waves. Poorer neighborhoods and communities are hardest hit, as their residents feel impotent against the threat of gangs, and the youths in these communities turn to gangs and trafficking for a sense of belonging, security, and income. The remote region of La Mosquitia, while so far exempt from the worst of the violent street crime, is falling in the grips of international trafficking organizations, who present virtually the only source of income for communities largely cut off from the central government's services.

¶4. The Honduran law enforcement community, while making strides toward becoming a more effective force before the June 28 coup, remains inadequate to counter these crime trends alone. Key challenges to law enforcement's ability to address the crime threat are lack of resources, lack of training and education, corruption, geography, and politicization resulting from the 2009 political crisis. In the case of interdiction, the Armed Forces (HOAF) lack the funds to procure the aircraft, boats and fuel needed to intercept traffickers who operate in remote areas. Honduras lacks any primary radar system to detect traffickers. The HNP lacks the budget to pay high enough salary and other benefits to prevent corruption in its ranks, obtain, maintain and fuel the vehicles it needs to patrol its border areas and urban neighborhoods, or construct and maintain prisons to safely and humanely house the burgeoning prison population. The Public Ministry lacks the funds to hire sufficient numbers of prosecutors to investigate and prosecute the cases presented to it by the police. In many cases, especially with police, prosecutors and judges, better training and

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education in management, information-sharing and investigative skills would increase the effectiveness of law enforcement and lead to more efficient use of scarce resources.

¶5. Collaboration and coordination between police and prosecutors is poor, which greatly diminishes their effectiveness. While conviction rates for cases prosecuted are high (over 80 percent), prosecution rates hover in the 20-30 percent range annually for most categories of crime. This lack of collaboration is also due in large part to mistrust between offices and ministries as a result of endemic corruption. Corruption and fear also undermine efforts to engage the general public in law enforcement - victims are reluctant to report crimes to authorities they do not trust, and citizens who perceive that crimes can be committed with impunity are more likely to disregard the law and sometimes resort to vigilante "justice." The handicaps to progress caused by corruption are likely to be exacerbated by the political crisis following the June coup, as members of the law enforcement sector may be perceived as biased toward one side of the political divide. A lack of governance and infrastructure in La Mosquitia and along the Atlantic Coast provide traffickers with a broad, unguarded territory in which to operate. The residents currently receive more material support from the traffickers than from the government.

¶6. As a result of the coup d'etat of June 2009, all INL security cooperation with the host government has been suspended. However, the issue of citizen security will remain high on the agenda of the political class. All leading presidential candidates have presented similar national security plans in their campaign platforms, and one has even named his would-be Security Minister, who has expressed his strong support for the Merida Initiative. To that end, if cooperation on security efforts, under the Merida Initiative, is resumed, it is likely to be robust, and continued progress toward a more effective law enforcement sector, with continued assistance from the donor community, can be expected in the coming years. Crime rates will likely continue to rise in the near term even as new programs are implemented, but then should drop if the law enforcement initiatives continue to be implemented as planned.

II. Merida to Date - Post/Host Nation Impressions

¶17. The coup d'etat of June 28, 2009 has disrupted the robust collaboration between the GOH and the USG on security and law enforcement issues. Before the coup, the Zelaya Administration had made the Merida Initiative one of its highest policy priorities, and the entire Mission enjoyed strong cooperation from GOH leadership for security programs under the auspices of Merida. Because of the coup, the USG has severely limited contact with the de facto authorities, and therefore, Merida-funded and Merida-related programs have been mostly suspended and terminated. Once the constitutional order has been restored, all programs funded under Merida, as well as all other INL programs will be resumed, though some other USG security programs, in particular foreign military assistance programs, cannot be restored for FY2010.

¶18. By late 2008, the Zelaya Administration had made public security one of its top priorities, and Honduras was the first Central American country to sign a Merida Initiative Letter of Agreement with the United States. President Zelaya and the Ambassador chaired the bilateral Merida Coordination Task Force (Refs A and D), and Zelaya empowered his Security Minister with tasking the entire GOH to produce and coordinate a national Merida security strategy. Phases one and two were completed by late spring 2009 before the June 28 coup disrupted collaborative security efforts. Training and collaboration on joint (bilateral and interagency) interdiction operations had begun to pay off: in the first half of 2009, more successful maritime and air seizures of cocaine had taken place, and more cocaine had been seized than in all of 2008. No specific written agreement exists between the U.S. and Honduras to establish a mechanism for exchanging adequate resources in connection with investigations and proceedings relating to narcotics, terrorism, terrorist financing, and other crime investigations. However,

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Honduras has cooperated, when requested, with appropriate law enforcement agencies of the U.S. Government and other governments investigating financial crimes.

¶19. In accordance with a prisons reform plan developed and augmented as a result of INL-sponsored corrections reform programs, the GOH constructed a modern, medium-security facility in Juticalpa in 2008, funded with a combination of government and domestic NGO funds, and had allocated an additional USD one million toward the construction of a high-security administrative segregation annex to the main prison at Tamara (as of October 2009, cell construction in the annex was complete). The Ministry of Security's expanded plan called for increased capacity for nonviolent offenders in low security facilities to accommodate new rehabilitation and job training programs.

¶110. The political crisis following the coup has set back GOH and donor nation efforts to tackle Honduras' security problems. Despite the de facto regime claims to the contrary, independent watchdog groups report violent crime has risen sharply, and the flow of illegal narcotics through Honduras has continued unabated since the coup. Ironically, this deterioration in the absence of continued reform illustrates the value of the Merida Initiative and the opportunity to make gains on security in Honduras.

¶111. The current suite of Merida programs is capable of addressing citizen security concerns by approaching the issue from both the "hard" side of security sector capacity-building as well as the "soft" side of guiding civil society toward a preventive culture able to promote community security needs (Ref E). Disruption of implementation due to the political crisis has meant results in this area are still unavailable. Furthermore, the political crisis and polarization of society in Honduras have weakened civil society's confidence in the public sector. Once the constitutional and democratic order has been restored, an even greater effort will be needed to promote reconciliation, redefine the role of security forces, and rebuild public confidence in civic authorities. An engaged civil society will be vital for the success of the other programs. When implementation resumes, USAID also will execute several Merida Initiative projects including a Regional Gang

Prevention Alliance that will expand Honduras-specific activities, including long-term integrated prevention, media awareness, job placement, and small quick impact grants. Post additionally plans to implement complementary activities including a municipal strengthening activity, vocational education activity, community-led infrastructure projects, and a rule of law activity, once funding becomes available.

III. SWOT Summary

¶12. Part III is a summary of A) Strengths, B) Weaknesses, C) Opportunities, and D) Threats that shape Post's Merida strategy and clarify the variables that will likely influence its success.

13.--A. Strengths: The HNP information and analysis center (CEINCO) is regarded as the best in Central America, according to their regional colleagues. While CEINCO is not the best-equipped information and analysis center in the region, it has demonstrated an ability to provide useful information to the field, especially in counternarcotics. CEINCO success is attributable in large part to its director, who has received extensive training at the International Law Enforcement Academy (ILEA) in El Salvador, which he has applied to his unit. Under Merida, CEINCO has proposed expanding into other organized crimes, and would be an integral part of increased anti-gang efforts, asset laundering and INL's planned model community police precinct in the San Pedro Sula neighborhood of Chamelecon. CEINCO will receive vital analysis equipment and training through Merida to support its expanding role.

¶14. (A cont'd) The GOH has shown a willingness to support joint interagency, multilateral information-sharing and operational coordination to interdict air and maritime narcotics shipments,

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which has been reflected in the increasing volume of drug seizures in the first half of 2009. The DEA's vetted unit, supported with INL funding, has played a vital role as a tactical response team (TRT) for interdictions, in cooperation with the HOAF, JIATF-South, and JTF-Bravo.

¶15. (A cont'd) GOH ministries and institutions have also demonstrated their readiness to cooperate with multifaceted partners through long-established working relationships with municipalities, non-governmental organizations (NGOs), the private sector and civil society. For example, GOH institutions such as the Honduran Social Investment Fund (FHIS) and the Ministry of Government and Justice have collaborated with USAID on citizen participation and governance programs to strengthen municipal services, transparency, citizen participation in decision-making, and job creation. Additionally the Honduran Ministry of Education has developed partnerships with local and international education NGOs, private training institutions, and other donors to help youth in Honduras acquire basic education and vocational training directly linked to job opportunities. These relationships have laid the foundation for close cooperation and integrated implementation of Merida Initiative activities.

¶16. (A cont'd) The GOH enacted its first money laundering legislation (Decree 202-97) in 1997. Congress passed legislation in early 2008 that brings the GOH closer to international legal standards for control of illicit financing, including money laundering and terrorist funding. Amendments to the money laundering law gives the UIF oversight for collecting all suspicious transactions reports from banks and expands the scope of entities required to report suspicious transactions.

¶17. (A cont'd) The GOH had taken its own initiative to develop improved community outreach and community policing techniques to make its neighborhood police precincts more responsive to community needs. The GOH implemented over 13,000 community security roundtables at local precincts, and has dedicated funds to the construction of improved, community-focused police precincts in some of its most crime-ridden urban neighborhoods. INL and USAID plan to support and build on these efforts in the neighborhood of Chamelecon

and elsewhere to develop community gang prevention programs and a model anti-gang community policing precinct. A proposed INL Community Policing Adviser would provide daily, in-the-trenches training and then communicate the precinct's best practices to the HNP leadership for both replication throughout the force and into police academy training. The GOH instituted important police management reform through the 2008 Organic Police Law, which restructured the police under a single Director General, established an Internal Affairs Unit that reports directly to the Minister of Security in order to address accusations of police corruption and abuse, and requires drug testing of all police every six months. The Ministry of Security also established a department policy to polygraph all police, and the first to undergo polygraph was the Minister of Security himself. INL is supporting these efforts by assisting in the vetting of the IA units and providing funds for an expanded HNP polygraph unit to carry out the policy. Finally, the Zelaya Administration did provide increased resources to the Ministry of Security including doubling the size of the HNP to 13,000 members.

¶18. (A cont'd) In January 2009, the process for the selection of the Supreme Court was the most transparent in its history. The new court may provide a base from which to build a more effective and reliable judiciary. However, the Court's role in the June 28 coup and the subsequent political crisis has cast into doubt whether it can play a constructive role in reforms. Even if the Court expresses a willingness to support eventual anti-corruption and capacity-building efforts, we will first have to find ways to work through its role in the coup and how that may affect public perceptions of bias.

¶19. (A cont'd) As a result of the newly-established Bilateral Merida Coordination Task Force, co-chaired by the Ambassador and the Minister of Security, the GOH drafted the first two phases of a

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four-phase national Merida security plan. Phases one and two established an overall needs determination, described programs intended to address those needs, and determined which agencies and other partners were implementers of the programs. The following phases were to be developed by those implementing bodies to lay out specific goals and objectives of each program, as well as resource needs to accomplish them. This plan is the first of its kind for GOH integrated planning, and reflected the importance the GOH placed on the Merida Initiative as a catalyst for an integrated, interagency, multilateral approach to the threat of transnational crime and trafficking. Its further development has been disrupted by the coup.

¶20. -- B. Weaknesses: The host nation deficiencies in addressing citizen security needs are wide and deep, but are not necessarily insurmountable with prolonged effort to reform institutions, train personnel, educate the public on their role in security, and build capacity in the security sector. Weaknesses can be categorized as lack of resources, corruption, mismanagement/lack of interagency coordination, and lack of training and education. These deficiencies in law enforcement agencies are exacerbated by the cultural, economic and political environment.

¶21. (B cont'd) The primary challenge facing the GOH in accomplishing the goals of the Merida Initiative is an overall lack of resources. In the case of interdiction, the Armed Forces (HOAF) lack the funds to procure the aircraft, boats and fuel needed to intercept traffickers, especially in the remote Atlantic coastal region of La Mosquitia. Furthermore, Honduras lacks any primary radar system to detect traffickers. The HNP lacks the budget to obtain, maintain and fuel the vehicles it needs to patrol its border areas and urban neighborhoods, or construct and maintain prisons to safely and humanely house the burgeoning prison population. The Public Ministry lacks the funds to hire sufficient numbers of prosecutors to investigate and prosecute the cases presented to it by the police. And all law enforcement agencies lack the resources to train their personnel or provide salaries at a living wage, thereby increasing the potential influence of corruption.

¶22. (B cont'd) While the USG and other donors can assist the GOH to

build and procure facilities and equipment, recurring costs such as salaries, fuel and maintenance will remain problematic, requiring innovative solutions on all sides. Donors must focus on programs that minimize recurring costs - training in procedures and maintenance will reduce waste, and expensive equipment should be avoided in favor of low-tech options wherever possible. The GOH for its part must implement more efficient and effective procedures for managing the resources it has.

¶23. (B cont'd) Corruption remains another key challenge for the HNP, prosecutors and judiciary, though the GOH took some important steps toward combating corruption in 2008 and early 2009. The Police Organic Law created an Internal Affairs Division that answers directly to the Minister of Security and, once vetted, staffed and trained, should be a major force against police corruption. Corruption in the judiciary has made successful prosecution of narcotraffickers especially difficult, though the selection of a new, more independent Supreme Court in January 2009 may provide an opportunity to reform the entire sector.

¶24. (B cont'd) Due to a combination of corruption, poor management and cultural mistrust, the various law enforcement agencies do not coordinate efforts well. Prosecutors do not trust the police to carry out effective investigations of crime, citing cases where police have warned suspects or divulged information to them. Likewise individual prosecutors demonstrate territoriality between offices of the Public Ministry over criminal cases, resulting in an overall prosecution rate of 20%. While there is a shortage of prosecutors, and prosecutors lack necessary resources, the rate of prosecutions per prosecutor is also low, reflecting poor management of caseloads. The DHS/ICE vetted unit has encountered resistance from key prosecutors to receiving assistance in investigating crimes because they fear losing total control over the cases. However, where prosecutors have built a relationship of trust and cooperation

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with police units through interagency training or other collaboration, productivity has demonstrably increased. Prosecutors who cooperate with the DEA and ICE vetted units have increased their volume of prosecutions significantly.

¶25. (B cont'd) Lack of training and education hinder effective law enforcement work in Honduras. Police enter their academy with a sixth grade education at best, and then are taught by instructors pulled largely out of the ranks. Instructors rarely have demonstrable expertise in the subjects they teach, nor do they have any knowledge of pedagogical principles. Prosecutors and judges likewise demonstrate a lack of understanding for basic principles such as chain of custody or evidentiary procedure. The Public Ministry seeks to create its own internal affairs unit, but lacks the resources or donor support to train and vet it adequately. Both prosecutors and judges sometimes lack the most basic skills. For example, in many cases when large amounts of illicit cash has been seized, judges will demand to see the actual bills seized as proof in a trial, or prosecutors will hold on to the cash for effect.

¶26. (B cont'd) These deficiencies are exacerbated by an environment characterized by weak governance and rule of law, in which law enforcement must operate. Communities plagued with violent crime are not willing to file criminal accusation out of fear, mistrust for the authorities or a sense of powerlessness. Anti-gang efforts are hampered by a lack of education, employment opportunities or community support for at-risk youth. Remote communities in trafficking zones lack alternative economic resources and do not understand the consequences of the drug trade on their communities or others.

¶27. (B cont'd) And finally, the political crisis following the June 28, 2009 coup has added a new challenge to be surmounted. Police have been politicized, defending the de facto regime against those who have taken to the streets to oppose the coup. Classes in the police training centers have been suspended for both officers and cadets, who have been assigned to perform security tasks related to the political crisis. The Attorney General has initiated a series of politically-motivated prosecutions against President Zelaya and his cabinet members, undermining the Public Ministry's credibility

as an agent for equal justice. If before the June 28 coup criminal activity and lack of personal security was one of the most important threats for the Honduran population, conditions since the coup have only exacerbated the situation. Gangs and other criminal groups are taking advantage of the current political crisis to extend their illicit activities, and youth are learning the arts of violent confrontation and criminal opportunism rather than dialogue and consensus.

128. --C. Opportunities: While many of the GOH plans and efforts to combat the crime threat have been disrupted by the coup and subsequent political crisis, restoration of the constitutional order may provide the opportunity to resume previous initiatives. Furthermore, some of the civic action mobilized by the movements both for and against the coup can be harnessed to build greater openness to reforms and to develop a more active role by the public in their own community's affairs. Just as parents of public school students have taken action to demand their children's education not be politicized, we can reach out to these same nascent civic leaders to demand an end to criminal activity in their neighborhoods. It is in periods following upheaval that societies are most receptive to reform efforts.

29 (C cont'd) Other opportunities for U.S. assistance to improve the GOH ability to combat the threat of crime include (Ref C):

---1. Vetted Units:

-----a. The HNP's newly-created Internal Affairs Division requires vetting and extensive training to become an effective force against police corruption.

-----b. Model community police precincts likewise will require extensive vetting, training and equipment to take back neighborhoods controlled by gangs and increase public participation in their own security.

-----c. CEINCO, the HNP information analysis unit will play a vital

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support role and requires further equipment, software and training; sub-units such as the FBI-supported TAG unit will be needed for regional information sharing and analysis.

-----d. Interagency anti-kidnap and anti-gang units are needed, but will require extensive vetting, training and equipment.

-----e. Additional Tactical Response Teams (TRT) need to be vetted and equipped for more efficient, effective interdiction operations.

-----f. U.S. law enforcement agencies' vetted units operating in Honduras should be expanded and provided additional training in order to confront increasing transnational crimes and criminal organizations.

-----g. An existing Honduran task force comprised of police and prosecutors dedicated to investigating and prosecuting crimes against foreigners needs funding for equipment and training.

--- 2. Border Security: The HNP Frontier Police are responsible for interdiction efforts along the land borders and at airports.

Frontier Police currently lack facilities at remote, but heavily-trafficked border crossing posts, and lack the means to border areas away from the formal crossings. Converted containers to use as combined office/dormitory space, motorcycles, inspection equipment and a K-9 inspection team will build capacity to reduce trafficking of people and illicit goods across Honduran borders. Field training will also improve and strengthen their interdiction capabilities.

--- 3. Military Base Construction: The Honduran military does not have a significant forward presence in heavy drug trafficking areas.

Since the military plays a vital role in the interdiction of a majority of illicit trafficking, building bases to augment the military presence in La Mosquita (Ref B) and the Bay Islands is paramount to gaining territorial sovereignty and control of the region. The bases create a permanent GOH presence in remote areas where virtually none exists now, and provide vital refueling stations to extend the ability of both the HOAF and the joint, multilateral force to carry out their role in interdictions.

--- 4. Seized Asset Program: Training police, prosecutors and judges on the existing legal framework, handling and use of evidence and information-sharing can produce a self-sustaining program that will

diminish the top law enforcement challenge in Honduras if successful. Building success in this area in combination with development of vetted inter-agency vetted units will be the most effective tools to improving the justice sector overall.

--- 5. Prison Reform: The GOH has a long-term strategy for reforming their prisons system to reduce violence and gang influence in its prisons and to effectively manage offenders in a secure and humane environment. The GOH has dedicated funds to constructing high-security administrative segregation facilities for its most dangerous prisoners, low-security facilities which will be used to develop rehabilitative prisons industries/vocational training programs, and a formal classification system will be implemented to ensure prisoners are placed in an appropriate level of supervision to protect prisoners, staff and the public. A correctional training program will be developed through the Merida Initiative to complement the National Police Academy Penitentiary curriculum, which will instruct correctional procedures, processes and practices. Assistance is required in training, equipment and infrastructure in order for the prisons system to implement the GOH strategy.

--- 6. Gang Prevention: Given that over 60% of the Honduran population is 25 or under, there is a critical need for resources that will both create jobs and provide educational and vocational training for a new generation of Honduran youth. Opportunities exist for the GOH to work with USAID, which has the direct experience and relationships with Honduran and international partners (through an ongoing project) that can serve as the foundation for providing at-risk youth with more positive, productive alternatives for continued education and employment. Additionally, existing and successful partnerships with GOH institutions such as FHIS and local actors can be leveraged to facilitate locally-led initiatives. These initiatives would focus on creating jobs and opportunities for

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people living in border areas, urban "hot spots," and other regions. Activities would include prevention programs targeting at-risk youth, specialized work and education initiatives, community awareness and outreach, and training for municipal workers and local civil society. The GOH could couple educational and alternative social structures with law enforcement efforts to prevent at-risk youth from joining gangs.

--- 7. Combating Financial- and Cyber-crime: Police, prosecutors and judges need training in how to combat money laundering and cyber-crime. The Honduran legal framework requires modernization as traffickers and criminal gangs become more sophisticated in their techniques. Though special investigative units created with assistance from ICE have yet to initiate anti-money laundering operations, the framework is in place and activities are expected to commence upon resolution of the political situation.

--- 8. Public Education and Outreach: The HNP needs assistance in developing a more effective program to educate the public about their role in fighting crime, improving communication between law enforcement authorities and the public, building public trust in law enforcement institutions and engaging civil society as allies in efforts to reduce violence. The HNP has already instituted community security roundtables, NGOs have developed community outreach centers that reduce gang activity and membership in individual neighborhoods and both the HNP and civil society have developed education programs on specific topics, but an overall strategy is lacking for integrating these efforts and binding together communities against crime. Such assistance could be provided in the form of a limited-term advisor to the Ministry of Security. Resources to implement a strategy already exist.

--- 9. Economic Development of Trafficking Zones: Remote areas such as La Mosquitia are in need of economic alternatives to supporting the drug trade. Improvements in infrastructure, a more permanent and engaged security presence (both HOAF and HNP), and greater access to basic services are necessities (Ref B).

--- 10. Rule of Law: USAID will build on GOH initiatives in implementing rule of law programs for juvenile justice sector

reform. Opportunities exist to: 1) modernize the juvenile justice system; 2) work with judges, public defenders and special prosecutor units addressing juveniles and gang-related crimes; and 3) increase public confidence and accountability of juvenile public sector institutions.

--- 11. Anti-Corruption: Corruption of law enforcement as well as justice sector institutions is a key factor in the upsurge of criminal activity. The Merida program provides a unique opportunity to build demand for transparency and accountability directly with civil society as well as through local and municipal actors. These efforts would complement USAID's local governance and decentralization initiative, which aims to strengthen civil society oversight of national and local government use of public funds through technical support to institutions such as the National Congress, transparency commissions, and watchdog organizations.

¶29. D. Threats: The two overriding threats to implementing a more effective Merida strategy to address citizen security in Honduras are the influence of well-financed transnational criminal organizations and the potential for continued political instability stemming from the June 2009 coup. Traffickers already wield greater influence over communities in the remote trafficking zones of La Mosquitia and the Atlantic coast than the national government, and because narcotics cases are tried in the judicial district where the arrest takes place, traffickers are able to gain control over local judges, prosecutors and police through bribery and threats. Likewise, traffickers and gang leaders use bribery and threats to gain control over local politicians, prisons and whole communities.

¶30. (D cont'd) The current political crisis has polarized Honduran society. Even after the political crisis is resolved, social

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cleavages could have a destabilizing impact on the general population, the military and the police force. Further destabilization could exacerbate the presently weak education system, lack of jobs for at-risk populations, and already low citizen confidence in public institutions, including the courts and police, that the Merida Initiative was created to improve. Additionally, given that the police are entirely focused on the political crisis, street crime and organized crime are thriving as they find the perfect scenario to increase their criminal activity with no police intervention. Border controls, already weak due to lack of resources, are now almost nonexistent. The threat is that lawlessness could undermine any efforts already gained and hinder further progress.

¶31. (D cont'd) The global financial crisis, aggravated by the political crisis, has induced recessionary economic conditions, including tight credit, declines in investment levels, rising unemployment and increased poverty. The socio-economic crisis will heighten social tensions and increase crime levels.

IV. Host Nation Regional Engagement

¶32. Prior to the June 2009 coup, the GOH encouraged regional security cooperation through SICA. However, the current political crisis has isolated Honduras from regional and international cooperative bodies. While restoration of the constitutional order may lead to a return to U.S.-Honduran cooperation through the Merida Initiative, renewed cooperation with regional bodies is uncertain.

¶33. On a working level, the HNP has shown a willingness to participate in transnational law enforcement information-sharing and collaboration, especially with U.S. assistance in building the information infrastructure to do so. Likewise, the HNP and HOAF participate in working-level information sharing and coordination on interdiction efforts.

IV. Post Thoughts on "Merida 2.0" and the Way Forward

¶34. The Merida Initiative is an effort that reaches beyond the programs explicitly funded by the Initiative. Under the aegis of the Merida Initiative, Mission Honduras and the GOH before June 28 had both taken a holistic approach to security efforts, tying in not only the "hard" anti-crime programs and anti-trafficking work of law enforcement and armed forces, but also the "soft" efforts of community development designed to reduce the influence and appeal of criminal organizations on at-risk groups and communities, as well as on governance in general. Likewise, the GOH under the Zelaya Administration had begun a government-wide approach to Merida through the Bilateral Merida Task Force, which had prepared the first two phases of an interagency National Merida Strategy which incorporated security and law enforcement, but also education, health and community development elements. The Mission sees Merida as a tool for Honduras to be able to work with regional partners in a more effective and efficient manner in the fight against international crime. In terms of our bilateral efforts, Merida is a holistic concept for developing and adopting a two country, multi-agency security strategy.

¶35. While the June 28 coup has disrupted these efforts, they remain a guide to the way forward if Honduras' constitutional order and relations with the United States and regional neighbors are restored. Restoration of programs under Merida will not happen all at once, however. We will have to resume cooperation in stages, with counternarcotics interdiction efforts taking the lead. A stepped strategy to resuming the holistic approach must be developed in order to rebuild from the crisis, and must address new challenges that have arisen as a result of the coup and its aftermath. Nonetheless, just as the crisis has created new challenges, it is likely to have created new opportunities for change and growth. A

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society emerging from a crisis is more likely to accept new approaches to their problems, and we must be prepared to take advantage of that window of opportunity to affect change where it was not possible in the past.

¶36. The Mission should, for example, consider the role of a proposed truth commission designed to bring the country back from a period of extreme polarization as a chance to also look at the endemic problems that have promoted the recent spike in violent crime. New programs aimed at post-crisis reconciliation should be included in the overall strategy.

¶37. The Mission may also use the window of opportunity to deepen its commitment to expanding vocational education and to linking at-risk youth with meaningful jobs. The USG could also broaden the scope of the initiative by improving juvenile justice and reducing corruption at the local levels.

¶38. In the long run, the strategy already begun before the coup will be the basis for a revised Merida Initiative in Honduras, but it will be coupled with elements of conflict resolution.

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